

**Ex. 15**  
**Peter Rossi Opening Opinion Summaries**

## II. SCOPE OF TESTIMONY AND SUMMARY OF OPINIONS

8. I designed and fielded a survey on a sample of consumers who use an iOS device and have spent money on an at-issue purchase in the past 30 days. The purpose of the survey was to measure whether a change in the price of the at-issue purchases would induce respondents to change their spending on at-issue purchases and/or purchase non-iOS phones and/or tablets. In designing this survey, I have relied on my education, training, and experience, and on general principles of marketing research and consumer decision-making. I employed best practices in survey research and established my results to a high degree of statistical reliability drawing on my experience and training as a survey researcher and statistician.
9. In total, 2,595 respondents reported (in Q15) that they had positive spending on at-issue purchases in the last 30 days. Next, respondents answered questions on: (i) whether they would have made the same at-issue purchases if the prices of those purchases had been five percent higher (Q16); and, (ii) if not, how their spending would have changed (Q17 through Q19). I refer to these 2,595 respondents, who are deemed to have completed the survey, as “Completers.” As discussed further below, my report focuses on “Deciders,” defined here as Completers who provided a Yes or No answer to Q16 (excluding those who indicated they are not sure).<sup>3</sup>
10. Based on the results of my study, as well as the background discussed above, it is my opinion that the survey results described below and related empirical conclusions are supported to a high degree of scientific certainty. These conclusions are as follows:
  - a. Among Deciders, 81 percent responded that their at-issue purchases would have remained the same if the associated prices had been five percent higher than they actually were. These respondents, which I refer to as “Stickers,” would have made the same at-issue purchases if prices had increased by five percent.

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<sup>3</sup> Ninety percent of respondents who completed the survey were able to answer this question with a “Yes” or “No” response; only 10 percent said they were not sure what they would have done (i.e., 10 percent of Completers are not Deciders).

- b. 19 percent of Deciders said that they would have changed their purchases in response to the price increase; I refer to this latter group as “Decrementers.” The median spending reduction for the Decrementer group was 27 percent.<sup>4</sup>
  - c. Only 1.3 percent of Deciders stated that they would have changed their purchases *and* that they would have switched from their current iOS device to a non-iOS device in response to the price increase. I refer to respondents in this group as “Switchers.”
  - d. Among Deciders, the overall price elasticity of demand was -2.19. This means that in response to a five percent price increase, at-issue purchases would decrease by around 11 per cent.
11. The remainder of this report proceeds as follows. Section III provides an overview of the key principles of survey research and explains how my survey was prepared in adherence to these principles. Section IV presents the survey’s key questions. Section V discusses checks of the sample’s representativeness with respect to the target population. Section VI presents results. Section VII provides concluding remarks.

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<sup>4</sup> Note that the average reduction was 36.8 percent.